Tells the Facts and Names the Names

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Ketcham's Story

By Alexander Cockburn & Jeffrey St. Clair

Across these ten pages runs a sober, carefully reported narrative by a well-respected reporter, Christopher Ketcham. He's a journalist whom publications such as *Harper's* and Salon.com have been happy to publish. Indeed, it was in May of 2002 that Salon published a 9,000-word story by Ketcham on the so-called Israeli "art students" whose curious activities before 9/11/2001, around U.S. government offices and in locations in many cases identical to those frequented by the 9/11 hijackers, had been the subject of much speculation.

In the fall of 2005 Ketcham ran across a short report in the *Philadelphia Times-Herald* about a 166-page memorandum written by a retired corporate lawyer named Gerald Shea. The memo, which Shea sent to the 9/11 Commission and the relevant Senate and House intelligence committees, reviewed all publicly known information about the activities of possible Israeli intelligence operatives working in New Jersey, Florida and elsewhere, and posed the questions: how much had the Mossad learned about the hijackers' plans; what had they divulged to the agencies of the U.S. government ?

These are not questions likely to receive an enthusiastic reception in the U.S. press or in Congress. Shea's memo, which he sent to many major news outlets, received almost no coverage aside from that tiny story in the *Philadelphia Times-Herald* (written,

(**Ketcham's story** *cont. on page 2 col one)*

Cheering Movers and Art Student Spies

What Did Israel Know in Advance of the 9/11 Attacks?

- **Who Were the Israelis Living Next to Mohammed Atta?**
- **What was in the Van on the New Jersey Shore?**
- **How did Two Hijackers Land on Watch List Weeks Before 9/11?**
- **Who Shut Down Fox News' Carl Cameron?**

By Christopher Ketcham

On the afternoon of September 11, 2001, an FBI bulletin known as a BOLO – "be on lookout" – was issued with regard to three suspicious men who that morning were seen leaving the New Jersey waterfront minutes after the first plane hit World Trade Center 1. Law enforcement officers across the New York-New Jersey area were warned in the radio dispatch to watch for a "vehicle possibly related to New York terrorist attack":

> **White, 2000 Chevrolet van… with 'Urban Moving Systems' sign on back seen at Liberty State Park, Jersey City, NJ, at the time of first impact of jetliner into World Trade Center… Three individuals with van were seen celebrating after initial impact and subsequent explosion. FBI Newark Field Office requests that, if the van is located, hold for prints and detain individuals.**

At 3:56 p.m., twenty-five minutes after the issuance of the FBI BOLO, officers with the East Rutherford Police Department stopped the commercial moving van through a trace on the plates. According to the police report, Officer Scott DeCarlo and Sgt. Dennis Rivelli approached the stopped van, demanding that the driver exit the vehicle. The driver, 23-year-old Sivan Kurzberg, refused and "was asked several more times [but] appeared to be fumbling with a black leather fanny pouch type of bag". With guns drawn, the police then "physically removed" Kurzberg, while four other men – two more men had apparently joined the group since the morning – were also removed from the van, handcuffed, placed on the grass median and read their Miranda rights. They had not been told the reasons for their arrest. Yet, according to DeCarlo's report, "this officer was told without question by the driver [Sivan Kurzberg],

(**Israeli spies** *cont. on page 2 col three)*

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"This officer was told without question by the driver [Sivan Kurzberg], 'We are Israeli. We are not your problem. Your problems are our problems. The Palestinians are the problem.'"

(**Ketcham's story** *continued from page 1)*

it should be noted, by Keith Phucas, who broke the Able Danger story).

After reading Shea's full memo, Ketcham went back to the leads and sources he'd developed for the earlier piece that he'd done for *Salon*. By May 2006 he'd completed an 11,000-word report for *Salon*. One hour before it was due to go up on *Salon's* site, the story was killed. The word from inside *Salon* is that the top editors suddenly decided that there was nothing newsworthy about Ketcham's report.

Anyone familiar with the verbal smokescreens sent up by a publication killing a story knows well two standard ploys: one is the last-minute assertion, often after weeks of enthusiastic editorial preparation, that "there's really nothing new here", that "it's an old story". The other is that the facts are so explosive, so fresh, that unusually explicit corroboration is required, demanding the reporter get multiple named sources and so forth.

Salon's editors obviously decided that an exposé with words like "Israeli spies" and "9/11" in the same headline was just too hot to handle. But in that case why wait to the last minute, after long hours of editorial work preparing the story for publication? They probably didn't like to admit to themselves that were just not prepared to take heat for the story and that they simply got cold feet.

Ketcham took the story to a number of other magazines and got nowhere. Then, in the late summer of 2006 he took it to the *Nation*, whose editors said that yes, they wanted the story, but wouldn't schedule it till after the crush of political coverage in the run-up to the November elections. The target publication date was December 8. At the last minute, the *Nation* pulled the piece.

When we first read it, we felt – and still feel – somewhat baffled at the difficulty this piece had in getting published. This is a report that deals with substantiated events that demand explanation, starting with the van on the New Jersey shore and the Israelis who were seen cheering as the planes crashed into the towers, and who on the afternoon of 9/11 were arrested following an FBI alert.

It is not as though Ketcham is alone in probing the background and activities of the celebrating Israelis. That has been the topic of a fine piece of investigation published in *The Forward* in 2002. *The Forward's* sensational discoveries were studiously ignored by the press. ("Old story….", "unsubstantiated"…) Similarly, the saga of the "art students" has been the object of careful investigation and broadcast pieces by Fox News' Carl Cameron.

Yes, when it comes to Israel and the U.S. press we are familiar with obstructions to raising edgy topics. That's why we're glad we have CounterPunch, to welcome good reporters like Ketcham in from the cold. CP.

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(**Israeli spies** *continued from page 1)*

'We are Israeli. We are not your problem. Your problems are our problems. The Palestinians are the problem.'" Another of the five Israelis, again without prompting, told Officer DeCarlo – falsely – that "we were on the West Side Highway in New York City during the incident".

From inside the vehicle the officers, who were quickly joined by agents from the FBI, retrieved multiple passports and $4,700 in cash stuffed in a sock. According to New Jersey's *Bergen Record*, which on September 12 reported the arrest of the five Israelis, an investigator high up in the Bergen County law enforcement hierarchy stated that officers had also discovered in the vehicle "maps of the city … with certain places highlighted. It looked like they're hooked in with this", the source told the *Record*, referring to the 9/11 attacks. "It looked like they knew what was going to happen when they were at Liberty State Park."

The five men were indeed Israeli citizens. They claimed to be in the country working as movers for Urban Moving Systems Inc., which maintained a warehouse and office in Weehawken, New Jersey. They were held for 71 days in a federal detention center in Brooklyn, New York, during which time they were repeatedly interrogated by FBI and CIA counterterrorism teams, who referred to the men as the "high-fivers" for their celebratory behavior on the New Jersey waterfront. Some were placed in solitary confinement for at least forty days; some were given as many as seven lie-detector tests. One of the Israelis, Paul Kurzberg, brother of Sivan, refused to take a lie-detector test for ten weeks. Then he failed it.

Meanwhile, two days after the men were picked up, the owner of Urban Moving Systems, Dominik Suter, a 31-year-old Israeli national, abandoned his business and fled the United States for Israel. Suter's departure was abrupt, leaving behind coffee cups, sandwiches, cell phones and computers strewn on office tables and thousands of dollars of goods in storage. Suter was later placed on the same FBI suspect list as 9/11 lead hijacker Mohammed Atta and other hijackers and suspected al-Qaeda sympathizers, suggesting that U.S. authorities felt Suter may have known something

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about the attacks. The suspicion, as the investigation unfolded, was that the men working for Urban Moving Systems were spies. Who exactly was handling them, and who or what they were targeting, was as yet uncertain.

It was New York's venerable Jewish weekly *The Forward* that broke this story in the spring of 2002, after months of footwork. *The Forward* reported that the FBI had finally concluded that at least two of the men were agents working for the Mossad, the Israeli intelligence agency, and that Urban Moving Systems, the ostensible employer of the five Israelis, was a front operation. Two former CIA officers confirmed this to me, noting that movers' vans are a common intelligence cover. *The Forward* also noted that the Israeli government itself admitted that the men were spies. A "former high-ranking American intelligence official", who said he was "regularly briefed on the investigation by two separate law enforcement officials", told reporter Marc Perelman that after American authorities confronted Jerusalem at the end of 2001, the Israeli government "acknowledged the operation and apologized for not coordinating it with Washington". Today, Perelman stands by his reporting. I asked him if his sources in the Mossad denied the story. "Nobody stopped talking to me", he said.

In June 2002, ABC News' *20/20* followed up with its own investigation into the matter, coming to the same conclusion as *The Forward*. Vincent Cannistraro, former chief of operations for counterterrorism with the CIA, told *20/20* that some of the names of the five men appeared as hits in searches of an FBI national intelligence database. Cannistraro told me that the question that most troubled FBI agents in the weeks and months after 9/11 was whether the Israelis had arrived at the site of their "celebration" with foreknowledge of the attack to come. From the beginning, "the FBI investigation operated on the premise that the Israelis had foreknowledge", according to Cannistraro.

A second former CIA counterterrorism officer who closely followed the case, but who spoke on condition of anonymity, told me that investigators were pursuing two theories. "One story was that [the Israelis] appeared at Liberty State Park very quickly after the first plane hit. The other was that they were at the park location already". Either way, investigators wanted to know exactly what the men were expecting when they got there.

Before such issues had been fully explored, however, the investigation was shut down. Following what ABC News reported were "high-level negotiations between Israeli and U.S. government officials", a settlement was reached in the case of the five Urban Moving Systems suspects. Intense political pressure apparently had been brought to bear. The reputable Israeli daily *Ha'aretz* reported that by the last week of October 2001, some six weeks after the men had been detained, Deputy Secretary of State Richard Armitage and two unidentified "prominent New York congressmen" were lobbying heavily for their release. According to a source at ABC News close to the *20/20* report, high-profile criminal lawyer Alan Dershowitz also stepped in as a negotiator on behalf of the men to smooth out differences with the U.S. government. (Dershowitz declined to comment for this article.) And so, at the end of November 2001, for reasons that only noted they had been working in the country illegally as movers, in violation of their visas, the men were flown home to Israel.

In the months before 9/11, Israel was running an active spy network inside the United States, with Muslim extremists as the target.

Today, the crucial questions raised by this matter remain unanswered. There is sufficient reason – from news reports, statements by former intelligence officials, an array of circumstantial evidence, and the reported acknowledgment by the Israeli government – to believe that in the months before 9/11, Israel was running an active spy network inside the United States, with Muslim extremists as the target. Given Israel's concerns about Islamic terrorism as well as its long history of spying on U.S. soil, this does not come entirely as a shock. What's incendiary is the idea – supported, though not proven, by several pieces of evidence – that the Israelis did learn something about 9/11 in advance but failed to share all of what they knew with American officials. The questions are disturbing enough to warrant a Congressional investigation.

Yet none of this information found its way into Congress's joint committee report on the attacks, and it was not even tangentially referenced in the nearly 600 pages of the 9/11 Commission's final report. Nor would a single major media outlet track the revelations of *The Forward* and ABC News to investigate further. "There weren't even stories saying it was bullshit", says *The Forward*'s Perelman. "Honestly, I was surprised". Instead, the story disappeared into the welter of anti-Israel 9/11 conspiracy theories.

It's no small boon to the U.S. government that the story of 9/11-related Israeli espionage has been thus relegated: the story doesn't fit in the clean lines of the official narrative of the attacks. It brings up concerns not only about Israel's obligation not to spy inside the borders of the United States, its major benefactor, but about its possible failure to have provided the U.S. adequate warning of an impending devastating attack on American soil.

Furthermore, the available evidence undermines the carefully cultivated image of sanctity that defines the U.S.-Israel relationship. These are all factors that help explain the story's disappearance – and they are compelling reasons to revisit it now.

Torpedoing the FBI Probe

All five future hijackers of American Airlines Flight 77, which rammed the Pentagon, maintained addresses or were active within a six-mile radius of towns associated with the Israelis employed at Urban Moving Systems. Hudson and Bergen counties, the areas where the Israelis were allegedly conducting surveillance, were a central staging ground for the hijackers of Flight 77 and their fellow al-Qaeda operatives. Mohammed Atta maintained a mail-drop address

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and visited friends in northern New Jersey; his contacts there included Hani Hanjour, the suicide pilot for Flight 77, and Majed Moqed, one of the strongmen who backed Hanjour in the seizing of the plane. Could the Israelis, with or without knowledge of the terrorists' plans, have been tracking the men who were soon to hijack Flight 77?

In public statements, both the Israeli government and the FBI have denied that the Urban Moving Systems men were involved in an intelligence operation in the United States. "No evidence recovered suggested any of these Israelis had prior knowledge of the 9/11 attack, and these Israelis are not suspected of working for Mossad", FBI spokesman Jim Margolin told me. (The Israeli embassy did not respond to questions for this article.)

According to the source at ABC News, FBI investigators chafed at the denials from their higher-ups. "There is a lot of frustration inside the bureau about this case", the source told me. "They feel the higher echelons torpedoed the investigation into the Israeli New Jersey cell. Leads were not fully investigated." Among those lost leads was the figure of Dominik Suter, whom the U.S. authorities apparently never attempted to contact.

Intelligence expert and author James Bamford told me there was similar frustration within the CIA: "People I've talked to at the CIA were outraged at what was going on. They thought it was outrageous that there hadn't been a real investigation, that the facts were hanging out there without any conclusion."

However, what was "absolutely certain", according to Vincent Cannistraro, was that the five Israelis formed part of a surveillance network in the New York-New Jersey area. The network's purpose was to track radical Islamic extremists and/or supporters of militant Palestinian groups like Hamas and Islamic Jihad. The former CIA counterterrorism officer who spoke anonymously told me that FBI investigators determined that the suspect Israelis were serving as Arabic-speaking linguists "running technical operations" in northern New Jersey's extensive Muslim communities. The former CIA officer said the operations included taps on telephones, placement of microphones in rooms and mobile surveillance. The source at ABC News agreed: "Our conclusion was that they were Arab linguists involved in monitoring operations, i.e., electronic surveillance. People at FBI concur with this". The ABC News source added, "What we heard was that the Israelis may have picked up chatter that something was going to happen on the morning of 9/11".

The former CIA counterterrorism officer told me: "There was no question but that [the order to close down the investigation] came from the White House. It was immediately assumed at CIA headquarters that this basically was going to be a cover-up so that the Israelis would not be implicated in any way in 9/11. Bear in mind that this was a political issue, not a law enforcement or intelligence issue. If somebody says we don't want the Israelis implicated in this – we know that they've been spying the hell out of us, we know that they possibly had information in advance of the attacks, but this would be a political nightmare to deal with."

"It was immediately assumed at CIA headquarters that this basically was going to be a cover-up so that the Israelis would not be implicated in any way in 9/11."

Israel's "Art Student" Spies

There is a second piece of evidence that suggests Israeli operatives were spying on al-Qaeda in the United States. It is writ in the peculiar tale of the Israeli "art students", detailed by this reporter for *Salon.com* in 2002, following the leaking of an internal memo circulated by the Drug Enforcement Administration's Office of Security Programs. The June 2001 memo, issued three months before the 9/11 attacks, reported that more than 120 young Israeli citizens, posing as art students and peddling cheap paintings, had been repeatedly – and seemingly inexplicably – attempting to penetrate DEA offices and other law enforcement and Defense Department offices across the country. The DEA report stated that the Israelis may have been engaged in "an organized intelligence gathering activity", but to what end, U.S. investigators, in June 2001, could not determine. The memo briefly floated the possibility that the Israelis were engaged in trafficking the drug ecstasy. According to the memo, "the most activity [was] reported in the state of Florida" during the first half of 2001, where the town of Hollywood appeared to be "a central point for these individuals with several having addresses in this area".

In retrospect, the fact that a large number of "art students" operated out of Hollywood is intriguing, to say the least. During 2001, the city, just north of Miami, was a hotbed of al-Qaeda activity and served as one of the chief staging grounds for the hijacking of the World Trade Center planes and the Pennsylvania plane; it was home to fifteen of the nineteen future hijackers, nine in Hollywood and six in the surrounding area. Among the 120 suspected Israeli spies posing as art students, more than thirty lived in the Hollywood area, ten in Hollywood proper. As noted in the DEA report, many of these young men and women had training as intelligence and electronic intercept officers in the Israeli military – training and experience far beyond the compulsory service mandated by Israeli law. Their "traveling in the U.S. selling art seem[ed] not to fit their background", according to the DEA report.

One "art student" was a former Israeli military intelligence officer named Hanan Serfaty, who rented two Hollywood apartments close to the mail drop and apartment of Mohammed Atta and four other hijackers. Serfaty was moving large amounts of cash: he carried bank slips showing more than $100,000 deposited from December 2000 through the first quarter of 2001; other bank slips showed withdrawals for about $80,000 during the same period. Serfaty's apartments, serving as crash pads for at least two other "art students", were located at 4220 Sheridan Street and 701 South 21st Avenue. Lead hijacker Mohammed Atta's mail drop was at 3389 Sheridan Street – approximately 2,700 feet from Serfaty's Sheridan Street apartment.

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Both Atta and Marwan al-Shehhi, the suicide pilot on United Airlines Flight 175, which smashed into World Trade Center 2, lived in a rented apartment at 1818 Jackson Street, some 1,800 feet from Serfaty's South 21st Avenue apartment.

In fact, an improbable series of coincidences emerges from a close reading of the 2001 DEA memo, the 9/11 Commission's staff statements and final report, FBI and Justice Department watch lists, hijacker timelines compiled by major media and statements by local, state and federal law enforcement personnel. In at least six urban centers, suspected Israeli spies and 9/11 hijackers and/or al-Qaeda–connected suspects lived and operated near one another, in some cases less than half a mile apart, for various periods during 2000–01 in the run-up to the attacks. In addition to northern New Jersey and Hollywood, Florida, these centers included Arlington and Fredericksburg, Virginia; Atlanta; Oklahoma City; Los Angeles; and San Diego.

Israeli "art students" also lived close to terror suspects in and around Dallas, Texas. A 25-year-old "art student" named Michael Calmanovic, arrested and questioned by Texas-based DEA officers in April 2001, maintained a mail drop at 3575 North Beltline Road, less than a thousand feet from the 4045 North Beltline Road apartment of Ahmed Khalefa, an FBI terror suspect. Dallas and its environs, especially the town of Richardson, Texas, throbbed with "art student" activity. Richardson is notable as the home of the Holy Land Foundation, an Islamic charity designated as a terrorist funder by the European Union and U.S. government in December 2001. Sources in 2002 told *The Forward*, in a report unrelated to the question of the "art students", that "Israeli intelligence played a key role in helping the Bush administration to crack down on Islamic charities suspected of funneling money to terrorist groups, most notably the Richardson, Texas-based Holy Land Foundation, last December [2001]". It's plausible that the intelligence prompting the shutdown of the Holy Land Foundation came from "art student" spies in the Richardson area.

Others among the "art students" had specific backgrounds in electronic surveillance or military intelligence, or were associated with Israeli wiretapping and surveillance firms, which prompted further concerns among U.S. investigators. DEA agents described Michael Calmanovic, for example, as "a recently discharged electronic intercept operator for the Israeli military". Lior Baram, questioned near Hollywood, Fla., in January 2001, said he had served two years in Israeli intelligence "working with classified information". Hanan Serfaty, who maintained the Hollywood apartments near Atta and his cohorts, served in the Israeli military between the ages of 18 and 21. Serfaty refused to disclose his activities between the ages of 21 and 24, including his activities since arriving in the U.S.A. in 2000. The French daily *Le Monde* meanwhile reported that six "art students" were apparently using cell phones that had been purchased by a former Israeli vice consul in the U.S.A.

Suspected Israeli spy Tomer Ben Dor, questioned at Dallas-Fort Worth Airport in May 2001, worked for the Israeli wiretapping and electronic eavesdropping company NICE Systems Ltd. (NICE Systems' American subsidiary, NICE Systems Inc., is located in Rutherford, New Jersey, not far from the East Rutherford site where the five Israeli "movers" were arrested on the afternoon of September 11.) Ben Dor carried in his luggage a print-out of a computer file that referred to "DEA Groups". How he acquired information about so-called "DEA Groups" – via, for example, his own employment with an Israeli wiretapping company – was never determined, according to DEA documents.

FBI counter-terrorism agents speculated that the CIA was shielding two of the hijackers because it hoped to recruit them.

"Art student" Michal Gal, arrested by DEA investigators in Irving, Texas, in the spring of 2001, was released on a $10,000 cash bond posted by Ophir Baer, an employee of the Israeli telecommunications software company Amdocs Inc., which provides phone-billing technology to clients that include some of the largest phone companies in the United States as well as U.S. government agencies. Amdocs, whose executive board has been heavily stocked with retired and current members of the Israeli government and military, has been investigated at least twice in the last decade by U.S. authorities on charges of espionage-related leaks of data that the company assured was secure. (The company strenuously denies any wrong-doing.)

According to the former CIA counterterrorism officer with knowledge of investigations into 9/11-related Israeli espionage, when law enforcement officials examined the "art students" phenomenon, they came to the tentative conclusion that "the Israelis likely had a huge spy operation in the U.S. and that they had succeeded in identifying a number of the hijackers". The German daily *Die Zeit* reached the same conclusion in 2002, reporting that "Mossad agents in the U.S. were in all probability surveilling at least four of the 19 hijackers".

The Fox News Channel also reported that U.S. investigators suspected that Israelis were spying on Muslim militants in the United States. "There is no indication that the Israelis were involved in the 9/11 attacks, but investigators suspect that the Israelis may have gathered intelligence about the attacks in advance, and not shared it", Fox correspondent Carl Cameron reported in a December 2001 series that was the first major exposé of allegations of 9/11-related Israeli espionage. "A highly placed investigator said there are 'tie-ins'. But when asked for details, he flatly refused to describe them, saying, 'evidence linking these Israelis to 9/11 is classified. I cannot tell you about evidence that has been gathered. It's classified information.'"

One element of the allegations has never been clearly understood: if the "art students" were indeed spies targeting Muslim extremists that included al-Qaeda, why would they also be surveilling DEA agents in such a compromising manner? Why, in other words, would foreign spies bumble into federal offices by the scores and risk exposing their operation? An explanation is that a number of the art students were, in fact, young Israelis engaged in a mere art scam and unknowingly provided cover

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for real spies. Investigative journalist John Sugg, who as senior editor for the *Creative Loafing* newspaper chain reported on the "art students" in 2002, told me that investigators he spoke to within FBI felt the "art student" ring functioned as a wide-ranging cover that was counterintuitive in its obviousness. DEA investigators, for example, uncovered evidence connecting the Israeli "art students" to known ecstasy trafficking operations in New York and Florida. This was, according to Sugg, planted information. "The explanation was that when our FBI guys started getting interested in these folks [the art students] – when they got too close to what the real purpose was – the Israelis threw in an ecstasy angle", Sugg told me. "The argument being that if our guys thought the Israelis were involved in a smuggling ring, then they wouldn't see the real purpose of the operation". Sugg, who is writing a book that explores the tale of the "art students", told me that several sources within the FBI, and at least one source formerly with Israeli intelligence, suggested that "the bumbling aspect of the art student thing was intentional."

When I reported on the matter for Salon.com in 2002, a veteran U.S. intelligence operative with experience subcontracting both for the CIA and the NSA suggested a similar possibility. "It was a noisy operation", the veteran intelligence operative said. The operative referred me to the film *Victor, Victoria*. "It was about a woman playing a man playing a woman. Perhaps you should think about this from that aspect and ask yourself if you wanted to have something that was in your face, that didn't make sense, that couldn't possibly be them". The intelligence operative added, "Think of it this way: how could the experts think this could actually be something of any value? Wouldn't they dismiss what they were seeing?"

U.S. and Israeli officials, dismissing charges of espionage as an "urban myth", have publicly claimed that the Israeli "art students" were guilty only of working on U.S. soil without proper credentials. The stern denials issued by the Justice Department were widely publicized in the *Washington Post* and elsewhere, and the endnote from officialdom and in establishment media by the spring of 2002 was that the "art students" had been rounded up and deported simply because of harmless visa violations. The FBI, for its part, refused to confirm or deny the "art students" espionage story. "Regarding FBI investigations into Israeli art students", spokesman Jim Margolin told me, "the FBI cannot comment on any of those investigations." As with the New Jersey Israelis, the investigation into the Israeli "art students" appears to have been halted by orders from on high. The veteran CIA/NSA intelligence operative told me in 2002 that there was "a great press to discredit the story, discredit the connections, prevent [investigators] from going any further. People were told to stand down. You name the agency, they were told to stand down". The operative added, "People who were perceived to be gumshoes on [this matter] suddenly found themselves hammered from all different directions. The interest from the middle bureaucracy was not that there had been a security breach but that someone had bothered to investigate the breach. That was where the terror was".

In at least six urban centers, suspected Israeli spies and 9/11 hijackers and/or al-Qaeda–connected suspects lived and operated near one another, in some cases less than half a mile apart, for various periods during 2000–01.

Choking Off the Press Coverage

There was similar pressure brought against the media venues that ventured to report out the allegations of 9/11-related Israeli espionage. A former ABC News employee high up in the network newsroom told me that when ABC News ran its June 2002 exposé on the celebratory New Jersey Israelis, "Enormous pressure was brought to bear by pro-Israeli organizations" – and this pressure began months before the piece was even close to airing. The source said that ABC News colleagues wondered, "how they [the pro-Israel organizations] found out we were doing the story. Pro-Israeli people were calling the president of ABC News. Barbara Walters was getting bombarded by calls. The story was a hard sell but ABC News came through – the management insulated [reporters] from the pressure".

The experience of Carl Cameron, chief Washington correspondent at Fox News Channel and the first mainstream U.S. reporter to present the allegations of Israeli surveillance of the 9/11 hijackers, was perhaps more typical, both in its particulars and aftermath. The attack against Cameron and Fox News was spearheaded by a pro-Israel lobby group called the Committee for Accuracy in Middle East Reporting in America (CAMERA), which operated in tandem with the two most highly visible powerhouse Israel lobbyists, the Anti-Defamation League (ADL) and the American Israel Public Affairs Committee (itself currently embroiled in a spy scandal connected to the Defense Department and Israeli Embassy). "CAMERA pepered the shit out of us", Carl Cameron told me in 2002, referring to an e-mail bombardment that eventually crashed the Fox News.com servers. Cameron himself received 700 pages of almost identical e-mail messages from hundreds of citizens (though he suspected these were spam identities). CAMERA spokesman Alex Safian later told me that Cameron's upbringing in Iran, where his father traveled as an archeologist, had rendered the reporter "very sympathetic to the Arab side". Safian added, "I think Cameron, personally, has a thing about Israel" – coded language implying that Cameron was an anti-Semite. Cameron was outraged at the accusation.

According to a source at Fox News Channel, the president of the ADL, Abraham Foxman, telephoned executives at Fox News' parent, News Corp., to demand a sit-down in the wake of the Cameron reportage. The source said that Foxman told the News Corp. executives,

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"Look, you guys have generally been pretty fair to Israel. What are you doing putting this stuff out there? You're killing us". The Fox News source continued, "As good old boys will do over coffee in Manhattan, it was like, well, what can we do about this? Finally, Fox News said, 'Stop the e-mailing. Stop slamming us. Stop being in our face, and we'll stop being in your face – by way of taking our story down off the web. We will not retract it; we will not disavow it; we stand by it. But we will at least take it off the web.'" Following this meeting, within four days of the posting of Cameron's series on Fox News.com, the transcripts disappeared, replaced by the message, "This story no longer exists".

What Did Mossad Know and Tell the U.S.?

Whether or not Israeli spies had detailed foreknowledge of the 9/11 attacks, the Israeli authorities knew enough to warn the U.S. government in the summer of 2001 that an attack was on the horizon. The British *Sunday Telegraph* reported on September 16, 2001, that two senior agents with the Mossad were dispatched to Washington in August 2001 "to alert the CIA and FBI to the existence of a cell of as many as 200 terrorists said to be preparing a big operation". The *Telegraph* quoted a "senior Israeli security official" as saying the Mossad experts had "no specific information about what was being planned". Still, the official told the *Telegraph*, the Mossad contacts had "linked the plot to Osama bin Laden". Likewise, *Die Zeit* correspondent Oliver Schröm reported that on August 23, 2001, the Mossad "handed its American counterpart a list of names of terrorists who were staying in the U.S. and were presumably planning to launch an attack in the foreseeable future". Fox News' Carl Cameron, in May 2002, also reported warnings by Israel: "Based on its own intelligence, the Israeli government provided 'general' information to the United States in the second week of August that an al-Qaeda attack was imminent". The U.S. government later claimed these warnings were not specific enough to allow any mitigating action to be taken. Mossad expert Gordon Thomas, author of *Gideon's Spies*, says German intelligence sources told him that as late as August 2001 Israeli spies in the United States had made surveillance contacts with "known supporters of bin Laden in the U.S.A. It was those surveillance contacts that later raised the question: how much prior knowledge did Mossad have and at what stage?"

According to *Die Zeit*, the Mossad did provide the U.S. government with the names of suspected terrorists Khalid al-Mihdhar and Nawaf al-Hazmi, who would eventually hijack the Pentagon plane. It is worth noting that Mihdhar and Hazmi were among the hijackers who operated in close proximity to Israeli "art students" in Hollywood, Florida, and to the Urban Moving Systems Israelis in northern New Jersey. Moreover, Hazmi and at least three "art students" visited Oklahoma City on almost the same dates, from April 1 through April 4, 2001. On August 24, 2001, a day after the Mossad's briefing, Mihdhar and Hazmi were placed by the CIA on a terrorist watch list; additionally, it was only after the Mossad warning, as reported by *Die Zeit*, that the CIA, on August 27, informed the FBI of the presence of the two terrorists. But by then the cell was already in hiding, preparing for attack.

When law enforcement officials examined the "art students" phenomenon, they came to the tentative conclusion that "the Israelis likely had a huge spy operation in the U.S.A. and that they had succeeded in identifying a number of the hijackers".

The CIA, along with the 9/11 Commission in its adoption of the CIA story, claims that Mihdhar and Hazmi were placed on the watch list solely due to the agency's own efforts, with no help from Mossad. Their explanation of how the pair came to be placed on the watch list, however, is far from credible and may have served as a cover story to obscure the Mossad briefing [See accompanying story on page 8 - "The Kuala Lumpur Deceit"]. This brings up the possibility that the CIA may have known about the existence of the alleged Israeli agents and their mission, but sought, naturally, to keep it quiet. A second, more troubling scenario, is that the CIA may have subcontracted to Mossad, given that the agency was both prohibited by law from conducting intelligence operations on U.S. soil, and lacked a pool of competent Arabic-fluent field officers. In such a scenario, the CIA would either have worked actively with the Israelis or quietly abetted an independent operation on U.S. soil. In his 9/11 investigative book, *The Looming Tower*, author Lawrence Wright notes that FBI counterterrorism agents, infuriated at the CIA's failure to fully share information about Mihdhar and Hazmi, speculated that "the agency was shielding Mihdhar and Hazmi because it hoped to recruit them". The two al-Qaeda men, Wright notes, "must have seemed like attractive opportunities; however, once they entered the United States they were the province of the FBI..." Wright further observes that the CIA's reticence to share its information was due to a fear "that prosecutions resulting from specific intelligence might compromise its relationship with foreign services".

When in the spring of 2002 the scenario of CIA's domestic subcontracting to foreign intelligence was posed to the veteran CIA/NSA intelligence operative, with whom I spoke extensively, the operative didn't reject it out of hand. The operative noted that in recent years the CIA's human intelligence assets, known as "humint" – spooks on the ground who conduct surveillances, make contacts, and infiltrate the enemy – had been "eviscerated" in favor of the NSA's far less perilous "sigint", or signals intelligence program, the remote interception of electronic communications. As a result, "U.S. intelligence finds itself going back to sources that you may not necessarily like to go back to, but are required to", the veteran intelligence operative said. "We don't like the fact, but our humint structures are gone. Israeli intel's humint is as strong as ever. If you have an intel gap, those gaps are

(**Israeli spies** *continued on page 9*)

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The CIA Plants a Cover Story

The Kuala Lumpur Deceit

The possible link between pre-9/11 Israeli warnings and the watch-listing of the hijackers Mihdhar and Hazmi was pointed out in late 2004 by a retired top corporate lawyer named Gerald Shea, who compiled a 166-page memo detailing the alleged operations of the Israeli groups in New Jersey, Florida and elsewhere. In the memo, which is drawn from publicly available source material and which he sent to members of the 9/11 Commission and the joint House and Senate intelligence committees, Shea notes that neither the 9/11 Commission's final report nor the joint report of the intelligence committees "specifically mentions any such [warnings] from the Israeli government".

Instead, both reports, hewing closely to the CIA's public stance, attribute the watch-listing of Mihdhar and Hazmi solely to the bumbling work of U.S. intelligence. But a review of the alleged facts in this route to the watch list, Shea insists, makes one doubt their veracity. "The issue is important", Shea argues, "because any downplaying of Israeli warnings … draws attention away" from the surveillance role the Israeli groups may have played.

The key element in the CIA's account is the claim that in January 2001 the agency had identified an operational link between the Mihdhar-Hazmi duo and one of Bin Laden's most trusted lieutenants, Khallad, a.k.a. Tawfiq bin Attash, who was suspected of masterminding the 2000 bombing of the *USS Cole*. According to the CIA, Mihdhar, Hazmi and Khallad had together attended a high-level al-Qaeda meeting in Kuala Lumpur in January 2000. This meeting was historic in the annals of Islamic terrorism, for it was here that the germ of 9/11 was seeded.

The significance of the establishment of the link with Khallad was such that CIA Director George Tenet lauded the discovery in his testimony before the Joint Inquiry of Congress in 2002, noting that "this was the first time that CIA could definitively place al-Hazmi and al-Mihdhar with a known al-Qaeda operative [Khallad]". Khallad, it was claimed, had been identified in January 2001 from photographs taken at Kuala Lumpur. That identification was noted officially in an alleged January 5, 2001, CIA cable.

According to the CIA, in the spring of 2001 there were reported threats of al-Qaeda attacks on U.S. interests abroad. A CIA agent whom the Commission calls "John" – who was later identified as agent Tom Wilshire by *New Yorker* writer Lawrence Wright – "wondered where the attacks might occur". Wilshire was particularly interested in cable traffic relating to the Kuala Lumpur meeting the previous year, specifically the January 5, 2001, cable that identified Khallad as having been present at that January 2000 meeting. It was Wilshire's efforts, beginning in May of 2001, that the CIA claims led to the watch-listing of Mihdhar and Hazmi on the eve of the attacks.

Yet a mile-wide hole quickly appears in this account, because the purported "definitive" identification of Khallad in January 2001 had been entirely mistaken. In other words, George Tenet in his statement before the Joint Inquiry was either lying or woefully uninformed. According to the CIA's account, the identification of Khallad, which occurred a year after the actual Kuala Lumpur meeting, came as the result of an FBI/CIA source, who reportedly was able to pinpoint the photographs of Khallad taken at the meeting.

But, according to the CIA's own Jan. 5, 2001, cable on the matter, the FBI/CIA source was said to have been shown photographs only of Mihdhar and Hazmi. He was not shown a photograph of Khallad. According to the Joint Inquiry report, it was later discovered, after Sept. 11, 2001, that the supposed photograph in question - the one reviewed by the informant in January 2001 - was not of Khallad but of Hazmi himself. And in fact the source erroneously identified Hazmi as Khallad. Or so the Joint Inquiry report claims.

But in fact there is substantial doubt as to whether even a mistaken identification was ever made. Three people were said to have been present when the FBI/CIA source made the identification. These included the questioning CIA agent, an FBI agent observing, and the joint source. But, according to the 9/11 Commission's own staff statements, the FBI agent later said that he was unaware of any identification of Khallad. And the CIA agent, who supposedly conducted the interview, "does not recall this particular identification [at all]", according to the Commission's staff statements.

So it turns out no one who was said to have made the pivotal identification of Khallad actually recalls having made the identification. This in turn suggests it may never have happened.

Indeed, when in May 2001 CIA agent Tom Wilshire allegedly asked another agent, whom the 9/11 Commission does not identify but whom we can here dub "Alice", to review the cable traffic relating to the Kuala Lumpur meeting, Alice later "cannot [even] recall this work", according to the Commission's staff statements. (The reference to Alice's failed memory was later deleted, without explanation, from the Commission's final report.)

In late July or sometime early in August, the CIA's account continues, Wilshire, still inspired by the purported identification of Khallad in the January 2001 cable, asked another agent, "Mary", to "resume" the work that Alice could not recall. Mary is said then to have discovered, on August 21, 2001, that Mihdhar, and possibly Hazmi, were in the United States. They were both placed on the watch list on August 24 in a tortuous culmination of CIA work that supposedly began with Tom Wilshire in the spring.

Given the litany of unlikelihoods in the CIA's account - not least of which is the "uncertain, unwitnessed, unremembered" identification of Khallad, as Gerald Shea notes - the reported Mossad warnings appear to lead a far straighter course to the watch-listing of Mihdhar and Hazmi. *Christopher Ketcham*

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Following a meeting the ADL's Abe Foxman, within four days of the posting of Cameron's series on Fox News.com, the transcripts disappeared, replaced by the message, "This story no longer exists".

(**Israeli spies** *continued from page 7*)
not closed overnight. It takes years and years of diligent work, a high degree of security, talented and dedicated people, willing management and a steady hand. It is not a fun business, and it's certainly not one without its dangers. If you lose that capability, well… organizations find themselves having to make a pact with the devil. The problem [in U.S. intel] is very great".

If such an understanding did exist between CIA and Mossad with regard to al-Qaeda's U.S. operatives, the complicity would explain a number of oddities: it would explain the CIA's nearly incoherent, and perhaps purposely deceptive, reconstruction of events as to how Mihdhar and Hazmi joined the watch list; it might even explain the apparent brazenness of the Israeli New Jersey cell celebrating on the morning of 9/11 (protected under the CIA wing, they were free to behave as they pleased). It would also explain the assertion in one of the leading Israeli dailies, *Yedioth Ahronoth*, that in the months prior to 9/11, when the Israeli "art students" were being identified and rounded up, the CIA "actively promoted their expulsion". The implication in the *Yedioth Ahronoth* article was that the CIA was simply being careless, not trying to spirit the Israelis safely out of the country. At this point we cannot be certain.

Israeli spying against the U.S. is of course hotly denied by both governments. In 2002, responding to my own questions about the "art students", Israeli embassy spokesman Mark Regev issued a blanket denial. "Israel does not spy on the United States", Regev told me. The pronouncements from officialdom are strictly *pro forma*, as it is no secret that spying by Israel on the United States has been wide-ranging and unabashed. A 1996 General Accounting Office report, for example, found that Israel "conducts the most aggressive espionage operation against the United States of any U.S. ally". More recently, a former intelligence official told the *Los Angeles Times* in 2004 that "[t]here is a huge, aggressive, ongoing set of Israeli activities directed against the United States". It is also routine that Israeli spying is ignored or downplayed by the U.S. government (the case of convicted spy Jonathan Pollard, sentenced to life in prison in 1986, is a dramatic exception). According to the *American Prospect*, over the last 20 years at least six sealed indictments have been issued against individuals allegedly spying "on Israel's behalf", but the cases were resolved "through diplomatic and intelligence channels" rather than a public airing in the courts. Career Justice Department and intelligence officials who track Israeli espionage told the *Prospect* of "long-standing frustration among investigators and prosecutors who feel that cases that could have been made successfully against Israeli spies were never brought to trial, or that the investigations were shut down prematurely".

The Questions That Await Answers

Remarkably, the Urban Moving Systems Israelis, when interrogated by the FBI, explained their motives for "celebration" on the New Jersey waterfront – a celebration that consisted of cheering, smiling, shooting film with still and video cameras and, according to the FBI, "high-fiving" – in the Machiavellian light of geopolitics. "Their explanation of why they were happy", FBI spokesman Margolin told me, "was that the United States would now have to commit itself to fighting [Middle East] terrorism, that Americans would have an understanding and empathy for Israel's circumstances, and that the attacks were ultimately a good thing for Israel". When reporters on the morning of 9/11 asked former Israeli Prime Minister Benjamin Netanyahu about the effect the attacks would have on Israeli-American relations, he responded with a similar gut analysis: "It's very good", he remarked. Then he amended the statement: "Well, not very good, but it will generate immediate sympathy [for Israel from Americans]".

What is perhaps most damning is that the Israelis' celebration on the New Jersey waterfront occurred in the first sixteen minutes after the initial crash, when no one was aware this was a terrorist attack. In other words, from the time the first plane hit the north tower, at 8:46 a.m., to the time the second plane hit the south tower, at 9:02 a.m., the overwhelming assumption of news outlets and government officials was that the plane's impact was simply a terrible accident. It was only after the second plane hit that suspicions were aroused. Yet if the men were cheering for political reasons, as they reportedly told the FBI, they obviously believed they were witnessing a terrorist act, and not an accident.

After returning safely to Israel in the late autumn of 2001, three of the five New Jersey Israelis spoke on a national talk show that winter. Oded Ellner, who on the afternoon of September 11 had,

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like his compatriots, protested to arresting officer Sgt. Dennis Rivelli that "we're Israeli", admitted to the interviewer: "We are coming from a country that experiences terror daily. Our purpose was to document the event". By his own admission, then, Ellner stood on the New Jersey waterfront documenting with film and video a terrorist act before anyone knew it was a terrorist act.

One obvious question among many comes to mind: If these men were trained as professional spies, why did they exhibit such outright oafishness at the moment of truth on the waterfront? The ABC network source close to the *20/20* report noted one of the more disturbing explanations proffered by counter-intelligence investigators at the FBI: "The Israelis felt that in some way their intelligence had worked out – i.e., they were celebrating their own acumen and ability as intelligence agents".

The questions abound: Did the Urban Moving Systems Israelis, ready to "document the event", arrive at the waterfront *before* the first plane came in from the north? And if they arrived right after, why did they believe it was a terrorist attack? What about the strange tale of the "art students"? Could they have been mere hustlers, as they claimed, who ended up repeatedly crossing paths with federal agents and living next door to most of the 9/11 hijackers by coincidence? Did the Israeli authorities find out more about the impending attacks than they shared with their U.S. counterparts? Or did the Israeli spies on the ground only intercept vague chatter that, in their view, did not warrant breaking cover to share the information? On the other hand, did the U.S. government receive more advance information about the attacks from Israeli authorities than it is willing to admit? What about the 9/11 Commission's eliding of reported Israeli warnings that may have led to the watch-listing of Mihdhar and Hazmi? Were the

"Their explanation of why they were happy was that ... the attacks were ultimately a good thing for Israel."

Israeli warnings purposely washed from the historical record? Did the CIA know more about pre-9/11 Israeli spying than it has admitted?

The unfortunate fact is that the truth may never be uncovered, not by officialdom, and certainly not by a passive press. James Bamford, who in a coup of reporting during the 1980s revealed the inner workings of the NSA in *The Puzzle Palace*, points to the "key problem": "The Israelis were all sent out of the country", he says. "There's no nexus left. The FBI just can't go knocking on doors in Israel. They need to work with the State Department. They need letters rogatory, where you ask a government of a foreign country to get answers from citizens in that country". The Israeli government will not likely comply.

So any investigation "is now that much more complicated", says Bamford. He recalls a story he produced for ABC News concerning two murder suspects – U.S. citizens – who fled to Israel and fought extradition for ten years. "The Israelis did nothing about it until I went to Israel, knocking on doors, and finally found the two suspects. I think it'd be a great idea to go over and knock on their doors", says Bamford.

The suspects are gone. The trail is cold. Yet many of the key facts and promising leads sit freely on the web, in the archives, safe in the news-morgues at *20/20* and *The Forward* and *Die Zeit*. An investigator close to the matter says it reminds him of the Antonioni film "Blow-Up", a movie about a photographer who discovers the evidence of a covered-up murder hidden before his very eyes in the frame of an enlarged photograph. It's a mystery that no one appears eager to solve. CP

Christopher Ketcham is a freelance journalist who has written for *Harper's* and *Salon*. Many of his writings, including his groundbreaking story on the Israeli art students, can be read on his website: christopherketcham.com, as can the Shea memo.

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